IN THE UNITED STATES DISTRICT COURT

FOR THE DISTRICT OF DELAWARE

SYNGENTA SEEDS, INC.,	)	
	)	
Plaintiff,	)	
	)	
v.	)	Civ. No. 02-1331-SLR
	)	
MONSANTO COMPANY, DEKALB GENETICS CORP., PIONEER HI-BRED INTERNATIONAL, INC., DOW AGROSCIENCES, LLC, and MYCOGEN PLANT SCIENCE, INC. and AGRIGENETICS, INC., collectively d.b.a. MYCOGEN SEEDS,	)	
	)	
Defendants.	)	

MEMORANDUM ORDER

At Wilmington this 21st day of September, 2004, having reviewed defendants' motion for an order regarding notice and the production of documents relating to plaintiff's pending acquisition of Garst Seed Company;

IT IS ORDERED that defendants' motion (D.I. 265) is granted for the reasons that follow:

1. On July 25, 2002, plaintiff Syngenta Seeds, Inc., filed a complaint against the defendants alleging infringement of three patents. (D.I. 1)

2. In July 2004, defendants learned that plaintiff was in the process of acquiring the parent of Garst Seed Company ("Garst"). (D.I. 265 at 1) Garst has a licensing agreement with

defendant Monsanto Company ("Monsanto") which contains a grantback provision giving Monsanto an irrevocable license to "any patent rights owned by Garst or any of it's [sic] affiliates." (Id.) The agreement provides for three situations where an entity can be an "affiliate" of any of the licensees: (1) a licensee wholly-owns the entity; (2) the licensee and the entity are each wholly-owned by a common owner; or (3) the entity wholly-owns the licensee. (Id.)

3. In their motion defendants argue that, based on the licensing agreement's definition of "Affiliate," it is possible that plaintiff will be deemed an affiliate of Garst, thereby giving Monsanto an irrevocable license to the patents in suit. (Id.) As a result, defendants request that this court order plaintiff to: (1) notify defendants when the acquisition of Garst is complete; and (2) produce the acquisition agreement together with any documents which would pertain to the grantback provision of the Monsanto-Garst agreement.

4. Plaintiff contests defendants' requested relief, arguing it is premature because "neither [p]laintiff, nor anyone else, can give [d]efendants any advance notice of the closing of a significant merger or acquisition transaction." (D.I. 270 at 1-2)[1] Plaintiff also argues that defendants' request for

[1] While plaintiff is unwilling to provide notice of its acquisition of Garst, it agrees to provide defendants "with a copy of any public disclosures made concerning the closing if and

production of the completed acquisition agreement should be denied because "it is simply inappropriate for [d]efendants to request access to materials concerning the Garst Transaction prior to its completion." (Id. at 2)

5. In response to plaintiff's arguments, defendants argue that the time constraints of the present litigation make defendants' motion and request for relief ripe. Trial in this action is set for November 2004. Consequently, defendants argue that there is no reason to wait until after the agreement is executed to again approach the court to compel production.

6. Defendants' motion has merit, as the court is concerned with expending scarce judicial resources on a complex matter which may become moot through a business transaction. Given the impending trial date and the potential for the Garst acquisition to resolve, at least in part, this dispute, the trial will be postponed unless plaintiff agrees to: (1) notify defendants and this court within twenty-four (24) hours of executing an acquisition agreement with Garst; and (2) upon notifying defendants and this court of the acquisition, provide each defendant and this court with a copy of those portions of the acquisition agreement, together with any other documents, that relate to the grantback provision of the Monsanto-Garst

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when the Garst Transaction closes." (D.I. 270 at 2)

agreement. On or before September 28, 2004, plaintiff shall inform the court and defendants of its decision to either abide by the terms of this order or postpone the trial.

Sue L. Robinson
United States District Judge